

FRS 2024/25 Pay Settlement

Report to:	Date:				
Commissioner's Board	9 October 2024				
Deputy Mayor's Fire Board	22 October 2024				
London Fire Commissioner					
Report by:					
Andrew Cross – Head of Policy, Pay and Reward - People Services					
Report classification:					
For decision					
For publication					
Values met					
Service					
Teamwork					
I agree the recommended decision below.					

Andy Roe

London Fire Commissioner

PART ONE

Non-confidential facts and advice to the decision-maker

Executive Summary

This report seeks agreement for the London Fire Commissioner and the Deputy Mayor to implement the 2024/25 pay settlement for Fire and Rescue staff (FRS) that has been reached with the trade unions (GMB and UNISON).

Recommended decision

For the London Fire Commissioner

That the London Fire Commissioner delegates authority to the Director for Corporate Services to commit the revenue expenditure of £2.898 million and take all necessary actions for the implementation of the 2024/25 pay settlement for FRS staff as set out in this report.

1 Introduction and background

- 1.1 The annual settlement date for the FRS general pay increase is 1 April and the effective date of the annual salary progression increase (SPI) i.e. progression through the pay band, is 1 July.
- 1.1 For the 2024/25 pay settlement, discussions and negotiations continued from 17 April 2024 and on 24 September 2024, the trade unions, GMB and UNISON which are referred to jointly as Staff Side, informed the LFC of the outcome of their recent Staff Side meeting.
- 1.2 In summary the communication dated 24 September 2024 to the LFC advises that the LFC's offer of a four percent pay increase and a two percent SPI has been 'reluctantly' accepted. However, the increase offer (above four percent) to the first aid/fire warden allowance has not been accepted, suggesting further discussions at the Joint Committee for Fire and Rescue Staff (JCFRS).
- 1.3 The settlement agreed (based on current salary) is as follows:

From 1 April 2024

A pay increase of four per cent

From 1 July 2024

- A salary progression increase of two per cent to those eligible staff.
- 1.4 The four per cent increase will also apply to the associated allowances (including the first aid and fire warden allowance whilst discussions continue).
- 1.5 The Brigade's FRS pay settlement is consistent with the pay offer for Top Management Group (TMG) staff and the national pay settlement reached for operational/control staff within the

National Joint Council (NJC) for the same period.

1.6 The FRS/TMG pay and benefits review that was undertaken independently by QCG consultants to ensure that the pay and reward system for professional services remains competitive, to enable the Brigade to effectively attract and retain talent, has been completed. The review's recommendations have been received and a Programme plan is being developed to review these. The Brigade shall work closely with stakeholders, including the trade unions, in relation to reviewing the recommendations.

2 FRS 2024/25 Pay Settlement and Salary Progression Increase

- 2.1 The LFC 'Final 2024/25 Budget' report (LFC-24-027) that was approved forecasts a three per cent pay award increase for staff. The settlement is for a four per cent general pay rise and a two percent SPI for 2024/25.
- 2.2 The total revenue cost of the 2024/25 pay settlement for the four per cent general pay rise and the two per cent SPI is ± 2.898 million based on current staff salaries plus staff eligibility for the SPI. This is broken down in the table below:

Table 1: Breakdown of total FRS pay settlement costs 2024/25

	General Pay Increase 4% Salary Progression Increase 29	
FRS	£2.507 million	<i>£</i> 391k

2.3 The revenue amount already budgeted for the 2024/25 general pay rise settlement was £1.88 million. This means the additional revenue expenditure to cover the additional one per cent pay increase above the three per cent budgeted is £0.627million, which will be drawn from the 2024/25 Budget Flexibility Reserve. The additional cost of the two per cent for SPI payment costing of £391k is funded through staff turnover within the FRS group.

3 Objectives and expected outcomes

3.1 The objective of the recommendations within this report and therefore the expected outcomes is to implement the 2024/25 FRS pay settlement that shall apply to all employees within the FRS group irrespective of their union membership, that has been reached with the trade unions.

4 Values

- 4.1 The recommendation for the FRS 2024/25 pay settlement aligns with two key values as set out below:
 - Service the pay rise is affordable within budget as reasonable expenditure to support the delivery of a high standard public service.
 - Teamwork the pay rise is consistent with other staff groups supporting the culture transformation that all staff are one big team within the Brigade, breaking down barriers caused by pay rise level differences.

5 Equality comments

5.1 The LFC and the Deputy Mayor for Planning, Regeneration and the Fire Service are required to have due regard to the Public Sector Equality Duty (section 149 of the Equality Act 2010) when taking decisions. This in broad terms involves understanding the potential impact of policy and decisions on different people, taking this into account and then evidencing how decisions were reached.

- 5.2 It is important to note that consideration of the Public Sector Equality Duty is not a one-off task. The duty must be fulfilled before taking a decision, at the time of taking a decision, and after the decision has been taken.
- 5.3 The protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership (but only in respect of the requirements to have due regard to the need to eliminate discrimination), race (ethnic or national origins, colouror nationality), religion or belief (including lack of belief), sex, and sexual orientation.
- 5.4 The Public Sector Equality Duty requires decision-takers in the exercise of all their functions, to have due regard to the need to:
 - eliminate discrimination, harassment and victimisation and other prohibited conduct.
 - advance equality of opportunity between people who share a relevant protected characteristic and persons who do not share it.
 - foster good relations between people who share a relevant protected characteristic and persons who do not share it.
- 5.5 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves havingdue regard, in particular, to the need to:
 - remove or minimise disadvantages suffered by persons who share a relevant protected characteristic where those disadvantages are connected to that characteristic.
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it.
 - encourage persons who share a relevant protected characteristic to participate in publiclife or in any other activity in which participation by such persons is disproportionately low.
- 5.6 The steps involved in meeting the needs of disabled persons that are different from theneeds of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
- 5.7 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
 - tackle prejudice
 - promote understanding.
- 5.8 An Equality Impact Assessment has been completed which evaluates no negative impact or restrictions on its application to staff with protected characteristics and complies with the Public Sector Equality Duty responsibilities.
- 5.9 Although a pay increase is generally accepted to be beneficial, it is recognised that the pay increase which is based on a percentage increase across all FRS grades does mean that staff on higher FRS grades receive more money than those on lower FRS grades. It is also recognised that a flat increase to all staff would maintain any existing pay gaps between under/overrepresented groups.
- 5.10 The action plan that is detailed in the London Fire Brigade gender, ethnicity and disability pay gap report 2023 (LFC-24-086 that includes FRS staff) sets out a range of actions to address the pay gap which include improving data collation, recruitment and career progression.

6 Other considerations

Workforce comments

6.1 The 2024/25 pay settlement has been negotiated with the trade union and represents a fair and consistent approach, whilst also recognising the value of the FRS staff and the work they undertake.

Sustainability comments

6.2 There are no direct sustainability implications arising from the recommendations within this report.

Procurement comments

6.3 There are no direct procurement implications arising from the recommendations within this report.

Communications comments

6.4 A communications message will be sent to the FRS staff notifying them directly of the pay settlement and other pay arrangements. The FRS pay policy no. 716 will be updated and uploaded onto Hotwire for all staff to view. The HR Helpdesk shall also be available to provide advice and guidance.

7 Financial comments

- 7.1 The report recommends that the 2024/25 FRS pay settlement is agreed to ensure consistency with other staff groups the national pay settlement reached for operational/control staff which has already been implemented, and the approved pay settlement for TMG staff. The FRS offer has already been accepted by the GMB and UNISON, the trade unions for FRS staff.
- 7.2 The proposal is for a cost-of-living increase of four per cent, at a cost of £2.507 million and a SPI of two per cent, at a cost of up to £391k for a total cost of up to £2.898 million. The 'Final 2024/25 Budget' report (LFC-24-027) included ongoing funding of three per cent for the general pay rise and assumes that the SPI is funded by staff turnover within the FRS group, as staff leave at the higher end of pay scales and join at a lower point on the scale.
- 7.3 The total revenue cost of the four per cent pay award £2.507 million of which £1.88 million (a three per cent award) was budgeted for as part of the 2024/25 budget report. This means the additional revenue expenditure to cover the additional one per cent pay increase is £627k which will be drawn from the Budget Flexibility Reserve in 2024/25. The revenue cost of the two per cent for SPI payment costing of £391k will be met through staff turnover in year.
- 7.4 The Budget Flexibility Reserve had an opening balance of £13,560k at the start of the 2024/25 financial year.
- 7.5 The Budget Flexibility Reserve is forecasted to have an uncommitted balance of £2,883k by March 2025 as per the LFC Quarter 1 2024-25 Financial Monitoring report. This balance includes the impact of the £627k pressure above.
- 7.6 It should also be noted that as a result of the forecast revenue overspend for 2024/25, the Quarter 1 report proposes that the remaining balance on the Budget Flexibility Reserve after this draw is transferred to the General Reserve to support in year overspend.
- 7.7 The budget for pay inflation is reviewed annually as part of the budget setting process for future years. The LFB's 2025/26 Budget Submission to the Mayor will also include the ongoing cost of the 1 per cent element of the pay award above the 2024/25 budget position. This pay element of the overall LFB budget will be prioritized over other (and more discretionary) expenditure to

8 Legal comments

- 8.1 This report seeks approval to implement the FRS pay settlement figures for 2024/25, following agreement reached with representative bodies.
- 8.2 Under section 9 of the Policing and Crime Act 2017, the London Fire Commissioner (LFC) is established as a corporation sole with the Mayor appointing the occupant of that office. Under section 327D of the GLA Act 1999, as amended by the Policing and Crime Act 2017, the Mayor may issue to the LFC specific or general directions as to the manner in which the holder of that office is to exercise his or her functions.
- 8.3 By direction dated 1 April 2018, the Mayor set out those matters, for which the LFC would require the prior approval of either the Mayor or the Deputy Mayor for Planning, Regeneration and the Fire Service (the "Deputy Mayor").
- 8.4 Paragraph (b) of Part 2 of the said direction requires the LFC to seek the prior approval of the Deputy Mayor before "[a] commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices...". The commitment of revenue expenditure referred to in this report therefore requires approval from the Deputy Mayor.
- 8.5 The statutory basis for the actions proposed in this report is provided by the Fire and Rescue Services Act 2004 ('the Act'), under which the LFC must secure the provision of personnel. Under the Act the LFC may also do anything that they consider incidental or indirectly incidental to their core functions. Additionally, section 112 of the Local Government Act 1972 empowers the LFC to appoint officers and determine their reasonable terms and conditions, including conditions as to remuneration

List of appendices

Appendix	Title	Open or confidential*

Part two confidentiality

Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part Two form, together with the legal rationale for non-publication.

Is there a Part Two form: No